



# House of Representatives

General Assembly

**File No. 675**

*February Session, 2014*

Substitute House Bill No. 5574

*House of Representatives, April 24, 2014*

The Committee on Planning and Development reported through REP. ROJAS of the 9th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

***AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE  
SOUTHEASTERN CONNECTICUT BIOSCIENCE CAPABILITIES  
ASSESSMENT REPORT.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective October 1, 2014*) (a) Not later than
- 2 February 1, 2015, the Commissioner of Economic and Community
- 3 Development shall prepare and issue a request for proposals for a
- 4 regional council of governments formed pursuant to section 4-124j of
- 5 the general statutes, educational institution, community development
- 6 corporation, regional economic development corporation or other
- 7 nonprofit organization to establish and administer a program to
- 8 promote and support the development of bioscience and
- 9 biotechnology businesses in the Southeastern Connecticut Planning
- 10 Region designated pursuant to section 16a-4a of the general statutes.
- 11 Such organization shall have experience in the formation of or
- 12 assistance to start-up businesses, fundraising, networking and
- 13 marketing. The commissioner shall develop criteria to evaluate such

14 proposals and shall award a grant for the establishment of such  
15 program. On or before May 1, 2015, the Commissioner of Economic  
16 and Community Development shall evaluate proposals received  
17 pursuant to subsection (a) of this section and shall approve one such  
18 proposal.

19 (b) Any proposal submitted pursuant to this section shall include an  
20 outline of the program to be established with a grant awarded under  
21 this section. Such program shall include:

22 (1) Outreach efforts to entrepreneurs, regional community and  
23 business leaders and experts in the bioscience and biotechnology fields  
24 to determine the needs and objectives of such individuals, and to  
25 inform such individuals of state programs and resources to assist in  
26 the formation of bioscience and biotechnology businesses in said  
27 planning region;

28 (2) A marketing plan for bioscience and biotechnology development  
29 in said planning region, including: (A) An identification of assets,  
30 including the facilities and talent pool located in said planning region,  
31 (B) marketing tools to advertise such assets, (C) goals for such  
32 marketing plan, and (D) a timetable and budget for such marketing  
33 plan;

34 (3) A working group that shall consist of not less than ten nor more  
35 than fifteen business and community leaders from said planning  
36 region to (A) encourage networking and planning between  
37 professionals from different fields, (B) assess the program established  
38 pursuant to this section, and (C) make recommendations to the  
39 organization administering such program concerning the development  
40 and implementation of such program; and

41 (4) The identification of and plan for acquisition of a facility to serve  
42 as a business incubator for said planning region and a plan to establish  
43 and maintain an Internet web site for such incubator.

44 (c) On or before January 1, 2017, the commissioner shall report, in

45 accordance with the provisions of section 11-4a of the general statutes,  
46 to the joint standing committee of the General Assembly having  
47 cognizance of matters relating to commerce on the request for proposal  
48 issued and the program established pursuant to this section.

49 Sec. 2. Subsection (b) of section 32-235 of the 2014 supplement to the  
50 general statutes is repealed and the following is substituted in lieu  
51 thereof (*Effective October 1, 2014*):

52 (b) The proceeds of the sale of said bonds, to the extent of the  
53 amount stated in subsection (a) of this section, shall be used by the  
54 Department of Economic and Community Development (1) for the  
55 purposes of sections 32-220 to 32-234, inclusive, including economic  
56 cluster-related programs and activities, and for the Connecticut job  
57 training finance demonstration program pursuant to sections 32-23uu  
58 and 32-23vv, provided (A) three million dollars shall be used by said  
59 department solely for the purposes of section 32-23uu and not more  
60 than five million two hundred fifty thousand dollars of the amount  
61 stated in said subsection (a) may be used by said department for the  
62 purposes of section 31-3u, (B) not less than one million dollars shall be  
63 used for an educational technology grant to the deployment center  
64 program and the nonprofit business consortium deployment center  
65 approved pursuant to section 32-41l, (C) not less than two million  
66 dollars shall be used by said department for the establishment of a  
67 pilot program to make grants to businesses in designated areas of the  
68 state for construction, renovation or improvement of small  
69 manufacturing facilities, provided such grants are matched by the  
70 business, a municipality or another financing entity. The  
71 Commissioner of Economic and Community Development shall  
72 designate areas of the state where manufacturing is a substantial part  
73 of the local economy and shall make grants under such pilot program  
74 which are likely to produce a significant economic development  
75 benefit for the designated area, (D) five million dollars may be used by  
76 said department for the manufacturing competitiveness grants  
77 program, (E) one million dollars shall be used by said department for  
78 the purpose of a grant to the Connecticut Center for Advanced

79 Technology, for the purposes of subdivision (5) of subsection (a) of  
80 section 32-7f, (F) fifty million dollars shall be used by said department  
81 for the purpose of grants to the United States Department of the Navy,  
82 the United States Department of Defense or eligible applicants for  
83 projects related to the enhancement of infrastructure for long-term, on-  
84 going naval operations at the United States Naval Submarine Base-  
85 New London, located in Groton, which will increase the military value  
86 of said base. Such projects shall not be subject to the provisions of  
87 sections 4a-60 and 4a-60a, (G) two million dollars shall be used by said  
88 department for the purpose of a grant to the Connecticut Center for  
89 Advanced Technology, Inc., for manufacturing initiatives, including  
90 aerospace and defense, and (H) four million dollars shall be used by  
91 said department for the purpose of a grant to companies adversely  
92 impacted by the construction at the Quinnipiac Bridge, where such  
93 grant may be used to offset the increase in costs of commercial  
94 overland transportation of goods or materials brought to the port of  
95 New Haven by ship or vessel, (2) for the purposes of the small  
96 business assistance program established pursuant to section 32-9yy,  
97 provided fifteen million dollars shall be deposited in the small  
98 business assistance account established pursuant to said section 32-  
99 9yy, [and] (3) to deposit twenty million dollars in the small business  
100 express assistance account established pursuant to section 32-7h, and  
101 (4) for the purposes of section 1 of this act.

This act shall take effect as follows and shall amend the following sections:

Section 1	October 1, 2014	New section
Sec. 2	October 1, 2014	32-235(b)

**PD**      *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

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**OFA Fiscal Note**

**State Impact:** None

**Municipal Impact:** None

**Explanation**

The bill has no fiscal impact by requiring the Department of Economic and Community Development (DECD) to issue a request for proposal for an organization to establish a program to promote and support the development of bioscience businesses in Southeastern Connecticut. It is anticipated that DECD will be able to effectively review the proposals without additional resources. DECD currently implements policies, strategies and programs that support business development in the state.

**Section 2** of the bill provides an unspecified amount of previously authorized bond funds under the Manufacturing Assistance Act to support the grant. There is no fiscal impact to this section because it does not authorize additional General Obligation bonds.

**The Out Years**

**State Impact:** None

**Municipal Impact:** None

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**OLR Bill Analysis****sHB 5574*****AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE  
SOUTHEASTERN CONNECTICUT BIOSCIENCE CAPABILITIES  
ASSESSMENT REPORT.*****SUMMARY:**

This bill requires the Department of Economic and Community Development (DECD) commissioner to award a grant to establish a program to promote and support the development of bioscience and biotechnology businesses in the Southeastern Connecticut Planning Region. By February 1, 2015, the commissioner must issue a request for proposals (RFP) to regional councils of governments, educational institutions, economic and community development corporations, or other nonprofit organizations to establish and administer the program. The commissioner must also develop criteria for evaluating proposals.

Proposals must include a program to provide outreach to entrepreneurs, create a marketing plan, develop a working group of business and community leaders, and acquire a facility for a business incubator. By May 1, 2015, the commissioner must evaluate the proposals and approve one.

DECD must provide a grant of an unspecified amount to the approved organization for administering the program. The bill authorizes DECD to use proceeds from the Manufacturing Assistance Act (MAA) bonds for the grant (see BACKGROUND). DECD must report on the RFP and the grant program to the Commerce Committee by January 1, 2017.

EFFECTIVE DATE: October 1, 2014

**PROGRAM REQUIREMENTS**

The organizations submitting proposals must have experience in assisting start-ups, fundraising, networking, and marketing. Proposals must include an outline of the program to be established, which must include:

1. outreach to entrepreneurs, regional community and business leaders, and bioscience and biotechnology experts to (a) determine their needs and objectives and (b) inform them of state resources and programs available to help form bioscience and biotechnology businesses in the planning region;
2. a marketing plan for bioscience and biotechnology development in the region, including the goals, timetable, and budget for the plan and how the organization will identify and market regional assets, such as the region's facilities and talent pool;
3. a working group of 10-15 business and community leaders from the planning region that will encourage networking and planning among professionals from different fields, assess the program, and make recommendations regarding its development and implementation to the administering organization; and
4. a plan for a business incubator, including identifying and acquiring a facility and building, and maintaining a website for it.

## **BACKGROUND**

### ***Manufacturing Assistance Act***

The MAA program provides grants, loans, loan guarantees, and other types of financing to business, municipalities, nonprofit organizations, and regional councils of governments, among other entities, for a range of projects, including supporting research and development.

### ***Legislative History***

The House referred the original bill (File 360) to the Planning and

Development Committee, which reported a substitute that changes a reference to “regional planning organizations” to “regional council of governments” in order to conform with PA 13-247, which eliminates regional planning agencies and regional councils of elected officials after January 1, 2015, leaving regional councils of governments as the only regional planning organizations within the state's planning regions.

**COMMITTEE ACTION**

## Commerce Committee

Joint Favorable

Yea 16 Nay 1 (03/20/2014)

## Planning and Development Committee

Joint Favorable Substitute

Yea 15 Nay 3 (04/15/2014)